To: Media/Communications Committee Members

Date: March 18, 1993

Subject: FET/ETS Audience & Message Point Development

As per yesterday's meeting, it was agreed that we would address the following audiences. Along with a listing of the audiences is an initial effort at their respective message points. Remember, this was an exercise to help us determine the elements we need for information/press packages. These messages are not necessarily unique to each audience.

ISSUE: FET Increase

Audience: Federal Officials

Message Points: Tax is a middle-class tax increase. During the course of the presidential campaign, candidate Bill Clinton promised he wouldn't raise the taxes of the middle class. Similarly, the promise that President Clinton made that those with earnings below $30,000 would not be taxed has now "gone out the window". Additionally, this tax will seriously hurt a fragile economy and 850,000 jobs will be lost.

Audience: State Officials

Message Points: An FET increase will cause an erosion in state revenues which will mean additional new taxes at the state level.

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Source: https://www.industrydocuments.ucsf.edu/docs/sgnx0000

Audience: Southeast States Elected Officials

Message Points: An FET increase will have a disastrous/cataclysmic effect on the economy in the southeastern states. More jobs will be lost due to this tax in the south and southeast than to the national recession that we are finally starting to recover from.

Audience: RJR/PM Plant Community Locations - Elected Officials

Message Points: Will cause jobs to be lost which will hurt the local economy. Also, erosion in company tobacco revenues adversely affects our ability to invest in non-tobacco operating companies and the jobs and tax revenues they produce.

Audience: Consumers/Smokers

Message Points Smokers should not be asked to pay any more - they already contribute more than 13 billion dollars to the economy than non-smokers. The proposed increase is discriminatory. If a program is to benefit all Americans - it should be broadly funded.

The real problem with the system is not the lack of money - but out of control costs. The medical care system itself is in need of general surgery if it's to be reformed. Don't throw more money at the health care system; fix it instead.

Audience: Non-smokers

Message Points: The proposed tax increase will not work because taxes alone won't cure the crisis in health care and new tax dollars will be needed on both the federal and state levels.

Audience: Farmers

Message Points: The proposed tax will be a cataclysm for the tobacco farmer and the economy of the tobacco growing states. Tobacco farmers will be unable to replace their highly profitable tobacco crops and as a result they, and their state's economy, will suffer.

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Source: https://www.industrydocuments.ucsf.edu/docs/sgnx0000

If tobacco farmers switch to alternative crops - - the markets of those crops throughout the United States will be destabilized and economic disaster will reverberate in every farming community.

Audience: Suppliers

Message: Reduced demand for tobacco will not only economically hurt tobacco farmers but will hurt all involved with the manufacture and sale of cigarettes from the pesticide and seed salesmen to the tractor sellers to the trucker who brings the finished product to retail.

Audience: Retailers

Message The retail and convenience store communities will bear a large part of the jobs lost if this tax is enacted. Cigarettes are among the most profitable products sold in those stores and provide a key revenue stream that helps to keep many stores open and many people employed.

Audience: State Excise Tax Dollar Recipients/State Funded Programs

Message: Another case of diminishing returns. This earmarked tax will erode excise tax revenues at the state level and cause lawmakers to look for additional sources of income. Those new taxes may not be as "politically acceptable" as the current source of funding and support for the program may erode. Accordingly, this scenario puts state discretionary programs at substantial risk.

It's poor policy to earmark the funding of any program to tobacco revenues where the base of consumers is declining every year.

Audience: Organized Labor

Message: This proposed tax is regressive because it hits the poor and middle class much harder than those who are better off.

Many tobacco related jobs, many of them union members, will be lost as almost 850,000 jobs disappear from the American economy.

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Source: https://www.industrydocuments.ucsf.edu/docs/sgnx0000

Audience: Health Care Reformers

Message: The entire health care system needs to be overhauled. The answer is not more money, but one of fundamental reform. If, in the final analysis, more money is the answer it should come from a general broad based tax. Get the system fixed.

Audience Minority Groups

Message: African and Hispanic Americans will bear the highest hardships if this tax is enacted. It's regressive and will cause serious job losses among the small businesses -- who depend on cigarette sales revenues -- in the minority community. Last in/first out. Further, erosion of discretionary programs of benefit to the minority community.

Audiences: Chambers of Commerce/Business Organizations

Messages: The proposed tax is unnecessary since the problem is not fiscal but structural. Government doesn't need to throw more money at the health care system - - it needs to fundamentally reform the system. Even if more dollars were needed, to take them from a revenue base where the receipts are declining doesn't make good economic sense. Unstable revenue sources lead to more taxes from other areas.

Audience: Anti-Tax Activists

Message: The Administration should focus on cutting spending -- not raising any taxes -- if the budget and health care costs are to be finally controlled.

ISSUE: ETS

The following list is submitted as an addendum to the report for your review. Please make additions as needed.

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Source: https://www.industrydocuments.ucsf.edu/docs/sgnx0000

Audiences:

- Elected Officials
- Regulatory Officials
- Smokers
- Non-smokers/taxpayers/general public
- Conservative/Liberal Media
- Employees (Tobacco/Non-tobacco)
- Scientific Community
- Restaurant/Hospitality
- Human Resources
- Labor
- Business
- Legal
- Industry

2023375224

Source: https://www.industrydocuments.ucsf.edu/docs/sgnx0000

Environmental Tobacco Smoke

Note: All of the ETS projects discussed below and additional work on such projects are pending subject to decisions regarding litigation.

I. Develop Press Package for ETS

Summary: Developing multi-use, modular press/information packages tailored for different audiences.

Status:

- o Audiences and messages preliminarily identified.
- o PM/RJR/TI gathering and forwarding all relevant materials to B-M for review and cataloging.
- o B-M to contact APCO regarding coalition building and development of message points for specific audiences.

II. Develop Comprehensive LTEs Program to Support ETS Objectives.

Summary: Focus proactive/reactive LTEs on key opinion creating newspapers/publications of selected elected officials/appointed officials, with ccs to those legislators, appointed officials.

Status:

- o B-M has created prototype media list and is expanding to include top 100 newspapers and state capitals media.
- o PM/RJR will contact field coordinators, lobbyists etc. to have them expand their monitoring of local press and to have them help identify potential authors.
- o PM/RJR each to draft 25 LTEs.

III. Promote Speakers in Local Markets

2023375225

Source: https://www.industrydocuments.ucsf.edu/docs/sgnx0000

Summary: Design speakers' program for placement of identified spokespersons in local markets designed to attract press attention.

Status:

o B-M preparing memo/guidelines on identifying potential forums and making contacts.

o PM/RJR to identify potential speakers and procure op-ed writers for articles based on speeches.

o PM/RJR preparing 2 generic ETS speeches each (1 each w/slide backup)

IV. Educate Newspaper Opinion Creators via Ed Boards

Summary: Continue ongoing key opinion leader educational outreach program, while identifying and expanding program to key national, state/state capital and local newspapers.

Status:

o B-M has prepared prototype media list and is expanding.

V. Establish Presence on Selected Radio Talk Shows

Summary: Try to use expert third parties and media-trained activists to reinforce press efforts with national and local radio talk show opportunities.

Status:

o B-M has prepared prototype media list and is expanding

o PM/RJR talking to government affairs/field coordinators to identify appropriate topics/spokespersons.

VI. Develop Comprehensive Op-ed Program to Support ETS Objectives.

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Source: https://www.industrydocuments.ucsf.edu/docs/sgnx0000

Summary: Develop op-eds, both proactive and reactive, for placement in selected national, state/state capital and local newspapers.

Status:

- o B-M has developed prototype media list and is expanding
- o PM/RJR each drafting 6 op-eds, message points and LTEs to support op-eds.

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Source: https://www.industrydocuments.ucsf.edu/docs/sgnx0000